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Summary of informal interactive hearings of the General Assembly with representatives of non-governmental organizations, civil society organizations and the private sector

Note by the President of the General Assembly

I. Introduction

1. In its resolution 60/228, the General Assembly requested the President of the General Assembly to organize one-day informal interactive hearings with representatives of non-governmental organizations (NGOs), civil society organizations and the private sector, in preparation for the high-level meeting on the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010. The President of the sixtieth session of the General Assembly has the honour to transmit the summary of those interactive hearings, held in New York on 22 June 2006.

2. The objective of the one-day hearings was to give an opportunity for NGOs, civil society and the private sector to interact with Member States and offer input on the midterm comprehensive global review of the implementation of the Brussels Programme. The midterm review aims at assessing progress made in the implementation of the Programme of Action, sharing best practices and lessons learned and identifying obstacles and constraints to the further implementation of the Brussels Programme.

3. Adopted at the Third United Nations Conference on the Least Developed Countries in Brussels in 2001, the Brussels Programme provides a framework for a global partnership between the least developed countries and their development partners to "accelerate sustained economic growth and sustainable development in the least developed countries, to end marginalization by eradicating poverty, inequality and deprivation in these countries and to enable them to integrate

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beneficially into the global economy". In resolution 59/244, the General Assembly decided to hold the midterm comprehensive review of the implementation of the Brussels Programme in 2006.

4. The President of the General Assembly established a taskforce of representatives of non-governmental organizations, civil society organizations and the private sector to assist him in preparations for the informal interactive hearings. The taskforce assisted in formulating the theme and sub-themes of the hearings, determining the format of the hearings and identifying speakers and active participants. The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) served as the substantive secretariat for the preparations.

5. The hearings were held under the theme "Forging partnership with civil society and the private sector for poverty reduction in the least developed countries". They were opened by the President of the General Assembly. The Deputy Secretary-General of the United Nations made a statement. Statements were also made by the Permanent Representative of Benin to the United Nations, as Coordinator of the Group of Least Developed Countries, and the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. The President of LDC Watch, a non-governmental organization, gave the keynote address.

6. In his capacity as Vice-President of the General Assembly, the Permanent Representative of Guinea-Bissau to the United Nations presided over the two successive interactive sessions. The first session focused on the theme "Harnessing partnership for sustainable development in the least developed countries" and the second session on "Unleashing entrepreneurship to end poverty in the least developed countries". Each session consisted of statements by representatives of non-governmental organizations, civil society organizations and the private sector and an interactive exchange of views with participating Member States.

7. At the closing of the hearings, a summary of main issues arising from the two sessions was presented by the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. This was followed by a closing statement by the President of the General Assembly. He expressed hope that the recommendations made during these hearings would be given due consideration at the high-level meeting in September, and that some of them would be translated into concrete actions in support of the development efforts of least developed countries. He recommended that dialogue between Member States and civil society, NGOs and the private sector should be pursued at various levels and in various forums throughout the implementation of the Brussels Programme.

II. Key findings

8. **Among the findings that emerged from the hearings were:**

(a) **Partnerships should be reinforced not only between the public and the private sector, but also between developed and least developed countries and between least developed and other developing countries;**

(b) All actors must honour their responsibilities under the Brussels Programme if its goals and targets as well as the Millennium Development Goals are to be met in the least developed countries;

(c) Slow progress witnessed in the least developed countries is mainly due to structural weaknesses — a combination of pervasive poverty and weak institutional, technical and human capacities;

(d) It is important to empower women so that they can contribute fully to development efforts in the least developed countries. Young people also need to be put at the forefront of the development agenda in the least developed countries. The concerns of internally displaced persons (IDPs) also need attention;

(e) There is urgent need to support development of the agricultural sector, promote food security and rural development as an important contributor to economic and social development in the least developed countries. Inadequate infrastructure and insufficient domestic and external financial resources were considered to be reasons for low investment in agriculture;

(f) There is a strong need to increase the amount and effectiveness of official development assistance (ODA) to the least developed countries. There should be a focus on outputs and deliverables, and on how and where ODA is spent;

(g) More emphasis should be put on improving good governance and environmental sustainability;

(h) Microfinance and small and medium-sized enterprises play an important role in promoting sustainable economic development. The private sector can make a significant contribution to poverty reduction through core business activities, provided they are done in a responsible, sustainable and inclusive manner;

(i) There is great need to increase the production capacities of the least developed countries. Improvement of infrastructure, including access to information and communication technology (ICT), is vital. Human resources in the least developed countries should be improved through adequately funded education and health programmes. There is also a need to promote institutional and regulatory frameworks that are conducive to private sector development;

(j) Trade is very important to poverty eradication in the least developed countries. There is an urgent need to address supply-side constraints and eliminate agricultural subsidies in developed countries, which have a detrimental effect on the export performance of the least developed countries;

(k) There is a global "advocacy gap" on least developed country issues. A global advocacy campaign, at both national and international levels, should be launched for the implementation of the Brussels Programme during the second half of the decade;

(l) Civil society organizations and non-governmental organizations can play a key role as partners in the implementation of the Brussels Programme. The least developed countries should provide an environment that encourages

them to play their supportive role. They should be supported to build their capacities;

(m) **International financial institutions and the donor community should renew and redeem their commitments made in the Brussels Programme.**

III. Interactive sessions

A. Cross-cutting themes

9. A number of recurrent themes and concerns emerged across the two interactive sessions, which included: (a) partnerships; (b) good governance; (c) resources for development; (d) trade; (e) migration; and (f) vulnerable groups.

1. Partnerships

10. Participants emphasized the importance of partnerships in view of the framework stipulated in the Brussels Programme and Millennium Development Goal 8 — "Develop a global partnership for development".

11. Recalling the failure of the first two decade-long programmes of action for least developed countries, participants raised concerns about the resolve of the international community to fulfil the commitments made in 2001. While underscoring the primary responsibility of least developed countries for their own development, participants called on developed countries to fulfil their commitments in order to meet the goals and objectives of the Brussels Programme by 2010. Several participants addressed the needs of least developed countries, such as an increase in the quantity and quality of aid, targeted social sector spending, capacity-building and good governance. There seemed to be general agreement about the responsibilities of both industrialized countries and the least developed countries for the development of the least developed countries and the need for the close involvement of civil society, NGOs and the private sector in their development efforts.

12. It was noted that the partnership should be built on trust between the public and private sectors, NGOs and government. Many participants noted that there is a general mistrust between development partners and governments in the least developed countries, as well as between NGOs and governments, which hampers efforts to reduce poverty. The role of civil society and NGOs must be recognized by the private sector and government, so as to become true partners in development efforts. NGOs, civil society and the private sector were urged to create and maintain a dialogue with government in order to share experiences and generate innovative ways for sustainable development. Institutional support is necessary to build the capacity of these actors to engage productively with one another.

13. Some Member States shared with participants their efforts to contribute to the development agenda of the least developed countries. They included supporting emerging markets, infrastructure development and South-South cooperation, and promoting socially responsible behaviour among their companies in developing countries.

14. Participants reaffirmed the great potential of South-South cooperation in areas such as trade, health, disaster risk reduction and early warning systems. They, however, pointed out the need for the least developed countries to remain cautious and ensure that assistance is not tied.

15. Participants requested the least developed countries to create a favourable investment climate to effectively harness the partnerships between international and local companies and nurture entrepreneurship. These countries have to improve their regulatory frameworks on property rights, access to finance and basic infrastructure. Policies to promote the role of the private sector in poverty eradication must include social dimensions, such as supporting women and people in disadvantaged situations so that they can participate equally in the economy. In this regard, the Global Compact agenda should be promoted to pursue ethical business practices.

16. The United Nations system was called upon to collaborate with all stakeholders to expedite the implementation of the Brussels Programme.

2. Good governance

17. Referring to Commitment 2 of the Brussels Programme — "Good governance at national and international level" — and to the recently launched OHRLLS/United Nations Development Programme (UNDP) report on governance in the least developed countries,[1] participants underscored the importance of good governance as a prerequisite for development. They emphasized the need for good governance and the required policy framework to ensure the utilization of revenues from natural resources for poverty eradication.

18. It was emphasized that fighting corruption is essential to maximizing the use of limited resources. To ensure accountability and transparency, there is a need to monitor and evaluate good governance initiatives.

19. The significance of traditional models of governance, respect of local values and collective responsibility was highlighted. Indigenous societies often have an effective mechanism to promote their own development objectives that should be respected by the international community. Participants learned from some indigenous initiatives with effective mechanisms for reducing poverty. The least developed countries and the international community must ensure that ODA is used to support locally initiated development projects. In that connection, the United Nations was requested to monitor ODA flows to ensure that those resources reach locally initiated projects.

3. Resources for development

20. Financial resources are needed to address the basic needs of the people, and to promote equitable and sustainable growth in the least developed countries. Participants noted that financial resources can be mobilized through the cancellation of all the debt of all least developed countries; the promotion of self-help mechanisms, such as microfinance and cooperatives; the increase of ODA to meet the target of 0.7 per cent (for developing countries) and 0.2 per cent (for the least

[1] United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the United Nations Development Programme, *Governance for the Future: Democracy and Development in the Least Developed Countries*, New York, 2006.

developed countries) of gross national income, increased market access for least developed countries' exports to developed countries and innovative financing mechanisms such as an air ticket levy. Participants also stressed the need for home-grown ideas in mobilizing financial resources. In that respect, the successful work of NGOs, civil society and the private sector in the area of microfinance was given as an example of how simple ideas could change the lives of millions of poor people.

21. Several participants called on donors not only to provide aid for emergencies, but also to ensure adequate, predictable resources for long-term development. One participant suggested that aid could be used to create employment and decent work, which is a major challenge in the least developed countries. It was also recommended that incoming aid should be directed to rural areas, where it is needed most. Participants stressed the need for the integration of a gender perspective and women's equal participation in aid programmes.

4. Trade

22. Many participants called for a fair trade framework, citing shortcomings in the existing global trade regime. They stressed that often development concerns are sidelined in trade negotiations. Limited human and financial capacity in the least developed countries seriously hampers the ability of their representatives to fully engage in international trade talks. In the context of the World Trade Organization (WTO) process, participants called for: (a) careful consideration in the classification of least developed countries to avoid countries backsliding to the least developed country category as a result of premature graduation; and (b) the creation of an environment that enables least developed countries to truly participate in the WTO negotiation process.

23. Participants called on developed countries to act on their commitments to make the WTO Doha round of trade negotiations a "development round" by developing pro-poor trade policies and providing genuine opportunities for poverty reduction in the least developed countries through trade. While preferential market access is yet to deliver the expected benefits to the least developed countries, participants identified the following as priority needs: (a) granting bound duty- and quota-free access to all exports of all least developed countries on a permanent basis; (b) reduction in tariff peaks, tariff escalation and non-tariff barriers; (c) simplification of restrictive rules of origin; (d) free movement of labour; and (e) establishment of a global fund to address the erosion of preferences.

24. It was observed that the integration of the least developed countries into the world economy through better market access remains a major challenge. Although the development package recently agreed upon at the Hong Kong WTO Ministerial Conference providing duty-free and quota-free market access to at least 97 per cent of products originating from least developed countries was appreciated, much more needs to be done to increase access of least developed countries to the international market. Developed countries were called upon to provide quota-free market access to all least developed countries' exports.

25. There was a broad understanding that large subsidies given to farmers in developed nations distort agricultural production in the least developed countries. Many participants called for the total elimination of subsidies and for reform of international agreements on agricultural trade.

5. Migration

26. Another area of focus during the two interactive sessions was the free movement of labour and policies to improve labour mobility. As in the case of the free flow of goods, services and capital, civil society should call for a global market of unskilled labour, and continue efforts to press for substantive progress on a WTO agreement on the temporary entry into developed countries of labour from the least developed countries.

6. Vulnerable groups

27. The least developed countries were encouraged to create pro-poor policies that are specifically geared towards the vulnerable groups, especially women, youth, people living with HIV/AIDS, the disabled and the displaced. The participation of these groups in policy formulation and implementation is crucial to the achievement of the goals of the Brussels Programme.

28. Some participants stressed that women in poor countries bore the brunt of extreme poverty, and called for concerted efforts by least developed country Governments to ensure their inclusion in decision-making processes. The AIDS pandemic has also affected disproportionately impoverished women, who, as a result, are "locked out" of income-generating activities. Often illiterate and subject to a range of cultural restrictions, women in poorer countries earn far less than their male counterparts. Participants urged the least developed countries to actively involve women in the preparation of development plans, rural development programmes and management of natural resources. The least developed countries should apply innovative methods when addressing particular challenges that hinder women's entry into business.

29. Participants recalled that young people are assets to society and could make a significant contribution to the implementation of the Brussels Programme. The integration of youth issues into all least developed countries' policies should be given special attention. A platform should be created to enable effective participation of young people in decision-making processes at national, regional and international levels.

30. Attention was drawn to the plight of internally displaced persons (IDPs). Many of the least developed countries host IDPs and refugees from neighbouring countries without sufficient capacity and infrastructure to support them. It was noted that refugees can contribute to the local economy. Therefore, IDPs should be given equal opportunities to participate fully in economic development. Full rights to move and to earn a livelihood need to be granted to IDPs and refugees. Instruments to support the basic rights of IDPs and refugees are internationally available and should be applied by Governments. The international community should take into consideration initiatives such as the "Good Humanitarian Donorship", to bridge the gap between relief and long-term development. In addition, development assistance should be used to create adequate conditions to sustain returnees.

B. First session: harnessing partnerships for sustainable development in the least developed countries

1. Global campaign in support of the least developed countries

31. Several interventions highlighted an "advocacy gap" for the least developed countries and called for the need to start a global awareness campaign for the least developed countries. This campaign would focus on issues such as full debt cancellation, increased and untied ODA, foreign direct investment flows and strengthening the role of women in decision-making. The message of the proposed global campaign should be directed at the least developed countries and their development partners. The campaign should take into account the voice of women and connect with grass-roots groups and think tanks. In the context of this campaign, participants called on Member States to organize hearings on the Brussels Programme. One participant called for dedicated "least developed country-slots" in all conferences and summits.

32. Participants underscored the important role of OHRLLS, but also noted that the Office is not equipped with adequate human and financial resources to fully implement its mandate.

2. National development strategies

33. Participants felt that it is essential to develop appropriate national development strategies to achieve the goals of the Brussels Programme and the Millennium Development Goals. Such strategies should address real concerns of the poor such as health care, education, employment and decent work, access to clean water and political and social empowerment. Governments should develop "bottom-up" approaches where local communities can conceive, plan and implement their development projects. The least developed countries have the primary responsibility to put in place effective policies that are responsive to the needs of all their citizens. Participants pointed out that civil society, NGOs, the private sector and government should work together to develop and implement good national development plans. These efforts should be supported by the international community and multilateral institutions, particularly the United Nations system, through the provision of adequate resources and technical assistance.

3. Information and communication technologies

34. The importance of information and communication technology (ICT) to the achievement of the goals and targets of the Brussels Programme was underlined by various participants. It was stressed that ICT can be used to promote democratic governance and poverty reduction.

35. To benefit fully from ICT, the least developed countries need software applications, particularly in the area of e-governance. Donors, both public and private, were called upon to assist the least developed countries in making this software available, as financial resources remain inadequate. Recommendations were made for: (a) donor countries to offer free e-governance software investments in the least developed countries and encourage software-reuse at the national level, as well as open source technologies and multi-language software interfaces in their ICT development; (b) the least developed countries to create an enabling environment to facilitate transfer of knowledge and ensure compatibility and

sustainability with regard to infrastructure, local industries and human capital; and (c) the United Nations to play a central role in the creation of an ICT framework.

4. Health and education

36. Participants expressed concern about the lack of adequate financial resources for the health sector, in particular for the fight against HIV/AIDS and other infectious diseases, such as malaria. Representatives of civil society called on international partners to help in funding local NGO reproductive health initiatives. They urged for a stronger collaboration among all partners providing reproductive health services to share a common agenda in promoting sex education programmes. Concern was raised about the role of the private sector in strategic areas such as access to water and health-care services. It was stressed that in these areas civil society had a role to play in monitoring the engagement of the private sector and in ensuring that the poor, who are most vulnerable, are protected.

37. With the continuing shortage of adequate resources for long-term development activities, the quality of education is still a major challenge in the least developed countries. Teachers should be given attractive incentives: better wages and working conditions, training and teaching materials. In addition, educational curricula should be aligned with the demand of respective labour markets.

C. Second session: unleashing entrepreneurship to end poverty in the least developed countries

1. Business and investment environment

38. The important role of the private sector in development was reiterated. Private sector representatives stressed their interest in promoting social progress, including innovative ways to engage low-income communities in business activities by creating "win-win" situations for achieving sustainable development. Examples of such initiatives were shared. Business partners from developed countries may provide advisory services to developing countries to build regional networks of the small and medium-sized enterprises. Cooperation between public and private sectors should be fostered so that the private sector's wealth of knowledge and resources can be utilized for sustainable development.

39. Private sector participants and some Member States stressed that policy and economic instability were serious threats to poverty eradication in the least developed countries. They recommended that the Governments of the least developed countries should accelerate the creation of favourable business environments and encourage business to harness its innovation and problem-solving skills for economic development. The need to improve regulatory frameworks to uphold property rights was also emphasized. Capacity-building and access to finance for local enterprises and entrepreneurs were highlighted as being vital to the development of the formal sector.

2. Infrastructure and basic services

40. Most participants agreed that investment in basic infrastructure, especially roads, energy, telecommunications and ports, was essential to attracting foreign direct investment and to development activities in general. Although this type of

investment is the primary responsibility of the country concerned, the support of the international community is needed not only in financial terms but also to ensure policy coherence without losing sight of social development dimensions.

41. Concern was raised with regard to the recent trends in privatization of public sector services such as the provision of water, energy and health-care services. Privatization is a complex issue even for developed countries; the least developed countries therefore have to carefully examine its consequences, as it might deteriorate access to essential services. In many cases, State intervention is still required for the provision of basic infrastructure and services.

3. Micro, small and medium-sized enterprises

42. The importance of microcredit provision, especially for women in rural areas, was emphasized by a number of participants. Participants highlighted the potential risks of overdependence on microfinance in the absence of an effective regulatory framework. They called for the provision of capacity-building opportunities to those engaged in the informal sector.

43. Participants called on the Governments of the least developed countries to create an enabling environment for small and medium-sized enterprises, including the provision of training and capacity-building for those engaged in small and medium-sized enterprise activities. Small and medium-sized enterprises are important creators of employment, and there is a need to increase their capacity to generate employment.

44. A successful example of developing sustainable entrepreneurship was shared with participants. The project focuses on grass-roots development for microenterprises in rural areas while protecting local culture and natural environment. The project was successful as it incorporated the cultural context of different ethnic groups and provided educational opportunities that included literacy programmes and ethical conduct. It was emphasized that support for rural women and entrepreneurship among the youth, such as favourable access to credit, is crucial for these vulnerable groups to be able to engage in income-generating activities.

4. Agriculture and employment

45. The absence of processing industries for agricultural products in the least developed countries hinders their agricultural sector from further developing and generating employment. Accordingly, Governments with support of the international community should establish basic infrastructure for agricultural processing industries and create an enabling environment for private sector development through the promotion of land and property rights. Adequate attention should be paid to ecosystems management, for efforts to eliminate poverty to be effective.

46. Unemployment of youth is a major cause of not only poverty but also juvenile delinquency, which may lead to political unrest. Thus, youth employment should be a national concern. Young people need financial and technical support for entrepreneurship. Furthermore, young farmers should be given incentives to stay engaged in the agricultural sector. Agribusiness involves a large section of the population, so there is a need for different and inclusive policy approaches to generate employment. In addition, regional initiatives such as the New Partnership for Africa's Development should support rural family farmers, while international

agreements must be fully implemented. The United Nations system also has an important role to play through organizations such as the Food and Agriculture Organization of the United Nations.

47. It was recommended that the least developed countries spend more resources on the development of agriculture. It was noted that most governments fell short of the targets of the 2003 Maputo Declaration, which recommended an increase in allocations for agriculture to 10 per cent of national budgets within five years. Capacity-building in the agriculture sector must be accompanied by land and property rights to enable farmers to own and invest in their land.